

The logistics community offers the *Gazette* readership a look into the future as logistics support for garrison and deployed forces undergoes an extensive and substantial modernization.

## Excellence in Logistics Supporting Excellence in Warfighting

by LtGen Richard L. Kelly

*We are Marines who are also logisticians, not logisticians who are also Marines.*

Since the fall of 1998 Marine logisticians have devoted sustained leadership, intellect, energy, and will to build a case for nothing short of logistics reform across the Marine Corps business enterprise. We have invested heavily in education, assessed best public and private sector performances and benchmarks, mapped these to our business enterprise, developed a business case, gained a foothold in the fiscal year 2004 budget, and begun to implement change through logistics enterprise integration (people, processes, and technologies). Throughout this effort we have maintained a laser focus on supporting the fight to the last tactical mile. This fall our Marine Corps Systems Command (MarCorSysCom) will begin implementing our new logistics information technology (IT)—the Global Combat Support System-Marine Corps (GCSS-MC)—at II Marine Expeditionary Force (II MEF) and Marine Corps Base Camp Lejeune. On 1 October 2005, we will “burn the boats” on our 30-plus-year legacy supply and maintenance systems and field a collaborative logistics IT suite that is built on a rich operational architecture, operates in a shared data environment, serves the entire business enterprise (garrison and deployed), and is scalable, interoperable, and joint. GCSS-MC is the

cornerstone of our logistics enterprise integration, but the processes and the people/organizations must also be rigorously addressed. GCSS-MC, however, must remain the focus of our efforts for the next 6 to 9 months.

Our business processes (supply, maintenance, distribution, and others) are the same as the private sector (with few exceptions). We order, fix, and distribute things; we pay, feed, and care for our Marines; we deliver mail, provide services, equip forces, and so forth. The environment in which we operate these processes at times is indeed different (deployed,

performance. GCSS-MC provides us with the desperately needed technical enabler. But this is only the first of many steps. Without process and organizational reform we will only accelerate the old processes and organizational behavior and never capitalize on the art of the possible in terms of performance, scheduling, and cost.

Except for one major reorganization in our Operating Forces in the mid-1970s, and the activity-based costing/management (ABC/M) and efficiency approaches we use at our bases/stations today, we have never taken a serious, enterprise-wide (people, processes, and technology)

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assessment of the way we do the business of our Corps. Force structure review groups and the like have sliced and diced and rearranged things all in the name of progress. Painful, horizontal salami slicing has produced mod-

contingency, last tactical mile, etc.). We must be vigilant to ensure we walk these processes from the forward edge of the battle area and back. This is the driving force and heart of our efforts taken since 1998. We have meticulously built an operational architecture that recognizes effectiveness at the tactical level as an absolute. Yet, when compared to industry leaders in the logistics field, we lag behind in our most important processes in terms of

est resources for new requirements. Technology insertions have been omnipresent. But no substantive, enterprise-wide change has occurred, despite the revolution that has and is occurring in private sector logistics performance. Today's best performers look and behave entirely different than just a decade ago, much less 20 to 30 years ago. These performers are lean, agile, responsive, and predictive. They value

speed, maneuverability, responsibility, and accountability. They seek to be the very best and are always improving. And they rarely miss mission. Sound familiar? Each of us experiences this revolution every day in our private lives. We have expectations, and the providers have standards, and both are continuously increasing. Here are some examples:

- Cars, trucks, and equipment.

How often do our cars break down? When they do, are we satisfied waiting 20 days to have them repaired? Would a building contractor be satisfied with his heavy equipment down for a month? If he was building our homes, would this month delay be acceptable to us?

- Home appliances. How often do our washing machines, lawn mowers, or air-conditioners break down? Do we keep extra motors on-hand just in case? Would our children be willing to wait weeks to have their computers, televisions, and videocassette recorders fixed?

- Shopping online. When we order products or services, do we have to go to school to learn how to use the providers' software like we do our own (e.g., supported activities supply system (SASSY); Marine integrated maintenance management system (MIMMS); standard accounting, budgeting, and reporting system; naval aviation logistics command/management information system)? Do we have confidence in providers keeping us informed of order and shipping status, charges to our credit cards, product returns, etc.? Do we double order from Amazon or L.L. Bean just in case?

But something terrible seems to happen to us when we drive through the main gate. We have such high product and service standards in our private lives, yet these seem to change when we come to work. We are willing to tolerate—even accept—standards that we would never accept in our private lives. Our retail and

wholesale order ship times (OSTs) and repair cycle times (RCTs) are substandard by any measurement, yet few people complain. In 2 years as a supply battalion commander, I never received a call or complaint concerning OST or even stock availability. Likewise, in 2 years as a force service support group (FSSG) commander, I never had a call concerning RCT or distribution.

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Today, we are perfectly aligned to get the results we are getting. Our logistics IT (SASSY, MIMMS, etc.), processes, and people/organizations are all optimally aligned to get this level of MEF-wide performance:

- OST performance: 12-plus days is average for items on the shelf. Some is taking more than 90 days.<sup>1</sup>
- RCT performance: 35-plus days is average for all of our ground equipment to be repaired. Some is taking in excess of 130 days.<sup>2</sup>
- At this level of investment in our people:
  - 42 percent of the total force is invested in ground logistics, administration, finance, legal, etc.
  - Additionally, we have over 17,000 civilian Marines, most of whom are in logistics and support billets.

I am not suggesting that we are the same as private sector logistics providers, that we should adopt a “just in time” business model, or that we should put efficiency ahead of effectiveness. What I am suggesting is that our processes are the same, and we should look to the best providers (the benchmarks) to see how they are able to consistently deliver quality products and services that meet our highest expectations “outside the wire.” We should capture what they are doing in their logistics enterprise

integration strategy (people/organizations, processes, and technologies), build our model from the tactical level back, and implement it. We require redundancy in equipment, supplies, people, and capacity because we are different, but we should skillfully build it in for the right reasons (effectiveness) and not retain what we have for the wrong reasons (tradition, culture, and retention of the status quo).

So how do we close the gap between where we are in terms of logistics performance and where the best performers are, be they private sector, public sector, or the Marine Corps? How do we institutionalize business process expecta-

tions and standards that are equal to or better than the best providers anywhere? First, I want to list a few things we *should not do*.

- (1) Don't try to fix or tamper with anything. We might be able to reduce HMMWV RCT a little, but at what cost? Software work arounds, noninstitutional improvement initiatives, and the like generally do not live beyond the tour of duty of the initiator, despite how well intentioned. They may make matters worse.

- (2) Don't relegate this to yet another transformational initiative, and don't put this in any battle lab. This is modernization. There's nothing wrong with modernization, and we need to modernize and implement . . . now!

- (3) Don't reorganize, at least not now. There will likely be a rush to do this after operations in Afghanistan and Kuwait/Iraq. But we should avoid doing this on any grand scale until we have committed to reengineering the enterprise-wide business processes and begun inserting the technology.

- (4) Don't let the process become the product. Concepts, discussions, dialogue, pilots, etc. are not deliverables.

And now here is what I firmly believe we *should do*.

(1) Recognize that logistics modernization is a Marine Corps-wide warfighting imperative. It's not a singular FSSG, base/station, or Marine Corps Logistics Command (MCLC) initiative. Everything must be addressed across all dimensions of the enterprise and beyond.

(2) Accelerate the development, funding, and fielding of our logistics IT (GCSS-MC). The acquisition community, MarCorSysCom in particular and the Marine Corps in general, needs to drive this with a Y2K (year 2000) sense of urgency. GCSS-MC is the logistics advocate's equivalent of the advanced amphibious assault vehicle, Joint Strike Fighter, high-speed vessel, etc. and needs to be equally supported.

(3) Define, by organization, what the critical capabilities are that make them unique (their core competencies). Next, determine their core enabling competencies. Last, "in source" the remainder to other Marine/Navy units, our bases/stations, our MCLC, or outsource to the private sector. Think about this: the entire medical, dental, and spiritual care of our most precious resource, our individual Marine, has been totally in sourced to the Navy since its inception 228 years ago.

(4) Figure out what things cost by major business process. The Marine Corps leads the Department of Defense in ABC/M and benchmarking, but this has been limited exclusively to our bases/stations. We need to capitalize on this ex-

pertise, develop measures of effectiveness and performance, and map it across the enterprise so decision-makers know what our total costs are and the impacts of their decisions on performance.

(5) Take some risks. Most of what I am suggesting is less risky than maintaining the status quo.

This is all about putting more killing power in the force. The major components include increasing velocity, performance, knowledge, and situational awareness; decreasing cycle time, signature, and footprint;

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**“We are perfectly aligned to get the results we are getting. If we are satisfied with the result . . . we shouldn't change anything. I'm not!”**

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unity of effort, high-trust relationships; and redefining ourselves to have zero tolerance for nonvalue-added business tactics, techniques, and procedures, processes, and organizations. These make up the core of our logistics enterprise integration and must be the future of Marine Corps logistics. The intellectual work done since 1998, the development of GCSS-MC, the initial process reengineering at MCLC and in the FSSGs, and the great work being done by our bases/stations are only the beginning. The next step is to institutionalize both higher expectations and the processes and enablers that will allow us to achieve them.

I want to end where I began—excellence in logistics supporting excellence in warfighting. Unless we change the entire business model and simultaneously reform the processes, organiza-

tions, and IT across the Marine air-ground task force enterprise and beyond, we will continue to get suboptimized performance at huge costs in terms of money, supplies, equipment, people, time, and energy. Mass, inventory, frontal assaults, longer hours, and running the logistics business on the backs of our Marines will continue to be the order of the day. No best performers—the ones we experience in our private lives—behave this way, and if they did they would either become irrelevant or go out of business. We must modernize Marine Corps logis-

tics rapidly, decisively, and do it now so that we can hold up our part of the deal—excellence in logistics. This is a warfighting imperative and, therefore, must be a cor-

porate Marine Corps initiative—like the advanced amphibious assault vehicle, MV-22, 4th Marine Expeditionary Brigade (Antiterrorism), etc. Maintaining the status quo is far more risky than the uncertainty of change.

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#### Notes

1. Statistics obtained from the precision logistics methodology developed by the RAND Corporation and currently managed by MCLC. For brevity sake, the averages for OST and RCT were made available instead of our percentile (50/75/90) analysis and graphical display that highlights our entire process. This information is available through the MCLC web site under the "Precision Logistics" link.

2. Ibid.



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## Quote To Ponder

### Transport

**“Mobility is the true test of a supply system.”**

**—Capt Sir Basil Liddell Hart,  
Thoughts on War  
1944**